

**Report of the Management Committee and
Unaudited Financial Statements
for the Year Ended 31 August 2015
for
ON THE EIGHTH DAY
CO-OPERATIVE LIMITED**

**ON THE EIGHTH DAY
CO-OPERATIVE LIMITED**

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for the Year Ended 31 August 2015**

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**ON THE EIGHTH DAY
CO-OPERATIVE LIMITED**

**Society Information
for the Year Ended 31 August 2015**

Members:	I J Ford U Gothard J Marsh J Thomas D Garland P Lavery S Singh S Jones C Gooding H Welch D Crompton D Shepherd-White Y Hayakawa S Fox S Lipnitski
Treasurer:	I J Ford
Secretary:	H Welch
Chair:	S Jones
Registered office:	111 Oxford Road Manchester M1 7DU
Registered number:	21704R (Co-operative and Community Benefit Societies Act 2014)
Accountants:	Haines Watts Manchester Limited Northern Assurance Buildings 9-21 Princess Street Manchester M2 4DN

ON THE EIGHTH DAY CO-OPERATIVE LIMITED

Report of the Management Committee for the Year Ended 31 August 2015

The Management Committee present their report with the financial statements of the Society for the year ended 31 August 2015.

Principal activity

The principal activity of the Society is that of the selling of wholefoods and providing the service of a vegetarian restaurant.

Members

The members shown below have held office during the whole of the period from 1 September 2014 to the date of this report.

I J Ford
U Gothard
J Marsh
J Thomas
D Garland
P Lavery
S Singh
S Jones
C Gooding
H Welch
D Crompton
D Shepherd-White
Y Hayakawa

Other changes in members holding office are as follows:

V Uye - resigned 19 January 2015
S Fox - appointed 25 August 2015
S Lipnitski - appointed 25 August 2015

Statement of Management Committee's responsibilities

The Management Committee is responsible for preparing the Report of the Management Committee and the financial statements in accordance with applicable law and regulations.

The Co-operative and Community Benefit Societies Act 2014 requires the Management Committee to prepare financial statements for each financial year. Under that Act the Management Committee has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Also under that Act the Management Committee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Society and of the profit or loss of the Society for that period. In preparing these financial statements, the Management Committee are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue in business.

**ON THE EIGHTH DAY
CO-OPERATIVE LIMITED**

**Report of the Management Committee
for the Year Ended 31 August 2015**

The Management Committee are responsible for keeping adequate accounting records that are sufficient to show and explain the Society's transactions and disclose with reasonable accuracy at any time the financial position of the Society and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. They are also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board:

.....
H Welch - Secretary

26 January 2016

**Independent Reporting Accountant's Report to the Members
on the Unaudited Financial Statements of
On The Eighth Day
Co-Operative Limited**

In order to assist you to fulfil your duties under the Co-operative and Community Benefit Societies Act 2014, we have prepared for your approval the financial statements of On The Eighth Day Co-Operative Limited for the year ended 31 August 2015 set out on pages 5 to 12 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes from the Society's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at icaew.com/membershandbook.

This report is made solely to the members of On The Eighth Day Co-Operative Limited, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of On The Eighth Day Co-Operative Limited and state those matters that we have agreed to state to them, as a body, in this report in accordance with AAF 2/10 as detailed at icaew.com/compilation. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and its Management Committee, as a body, for our work or for this report.

It is your duty to ensure that On The Eighth Day Co-Operative Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of On The Eighth Day Co-Operative Limited. You consider that On The Eighth Day Co-Operative Limited is exempt from the statutory audit requirement for the year.

In our opinion the profit and loss account and balance sheet for the year ended 31 August 2015 are in agreement with the books of account kept by the Society under Section 75 of the Co-operative and Community Benefit Societies Act 2014, and that, having regard only to, and on the basis of the information contained in the books of account, they comply with the requirements of the Co-operative and Community Benefit Societies Act 2014.

In our opinion the Society has satisfied the conditions for exemption from audit of the accounts for the year ended 31 August 2015 as set out in Section 84 the Co-operative and Community Benefit Societies Act 2014 and did not at any time within the year fall within any of the categories of society not entitled to such exemption.

Haines Watts Manchester Limited

.....
Reporting Accountants
Statutory Auditor

Northern Assurance Buildings
9-21 Princess Street
Manchester
M2 4DN

Date:

**ON THE EIGHTH DAY
CO-OPERATIVE LIMITED**

**Profit and Loss Account
for the Year Ended 31 August 2015**

	Notes	2015 £	2014 £
Turnover		1,752,666	1,633,312
Cost of sales		<u>(1,061,396)</u>	<u>(985,605)</u>
Gross profit		691,270	647,707
Administrative expenses		<u>(593,584)</u>	<u>(590,494)</u>
Operating profit	2	97,686	57,213
Income from fixed asset investments		28	43
Interest receivable and similar income		<u>95</u>	<u>94</u>
		97,809	57,350
Interest payable and similar charges		<u>(1,692)</u>	<u>(3,161)</u>
Profit on ordinary activities before taxation		96,117	54,189
Tax on profit on ordinary activities	3	<u>(22,073)</u>	<u>(14,718)</u>
Profit for the financial year		<u><u>74,044</u></u>	<u><u>39,471</u></u>

The notes on pages 9 to 12 form part of these financial statements

**ON THE EIGHTH DAY
CO-OPERATIVE LIMITED**

**Statement of Total Recognised Gains and Losses
for the Year Ended 31 August 2015**

	2015 £	2014 £
Profit for the financial year	74,044	39,471
Unrealised surplus on revaluation of properties	-	58,333
	<hr/>	<hr/>
Total recognised gains and losses relating to the year	<u>74,044</u>	<u>97,804</u>

The notes on pages 9 to 12 form part of these financial statements

**ON THE EIGHTH DAY
CO-OPERATIVE LIMITED (REGISTERED NUMBER: IP21704R)**

**Balance Sheet
31 August 2015**

	Notes	2015 £	£	2014 £	£
Fixed assets					
Tangible assets	4		657,506		671,069
Investments	5		<u>724</u>		<u>696</u>
			658,230		671,765
Current assets					
Stocks		96,317		84,161	
Debtors	6	10,346		8,571	
Cash at bank and in hand		<u>170,345</u>		<u>143,497</u>	
		277,008		236,229	
Creditors					
Amounts falling due within one year	7	<u>150,396</u>		<u>155,821</u>	
Net current assets			<u>126,612</u>		<u>80,408</u>
Total assets less current liabilities			784,842		752,173
Creditors					
Amounts falling due after more than one year	8		-		(41,968)
Provisions for liabilities	10		<u>(3,116)</u>		<u>(2,524)</u>
Net assets			<u>781,726</u>		<u>707,681</u>
Capital and reserves					
Called up share capital	11		15		14
Revaluation reserve	12		444,844		454,514
Profit and loss account	12		<u>336,867</u>		<u>253,153</u>
Shareholders' funds			<u>781,726</u>		<u>707,681</u>

The members have not required the Society to obtain an audit of its financial statements for the year ended 31 August 2015 in accordance with section 84 of the Co-operative and Community Benefit Societies Act 2014.

The members acknowledge their responsibilities for

- (a) ensuring that the Society keeps accounting records which comply with section 75 of the Co-operative and Community Benefit Societies Act 2014 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the Society as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014.

The notes on pages 9 to 12 form part of these financial statements

**ON THE EIGHTH DAY
CO-OPERATIVE LIMITED (REGISTERED NUMBER: IP21704R)**

**Balance Sheet - continued
31 August 2015**

The financial statements were approved by the Management Committee on 26 January 2016 and were signed on its behalf by:

.....
I J Ford - Member

.....
J Marsh - Member

.....
H Welch – Member and Secretary

The notes on pages 9 to 12 form part of these financial statements

**ON THE EIGHTH DAY
CO-OPERATIVE LIMITED**

**Notes to the Financial Statements
for the Year Ended 31 August 2015**

1. **Accounting policies**

Accounting convention

The financial statements have been prepared under the historical cost convention modified to include the revaluation of long leasehold property and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Turnover

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Long leasehold property	- 2% on cost or valuation
Shop and kitchen equipment	- 10% on cost
Fixtures and fittings	- 10% on cost
Computer equipment	- 25% to 35% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by the FRSSE.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

2. **Operating profit**

The operating profit is stated after charging:

	2015	2014
	£	£
Depreciation - owned assets	20,709	18,617
Loss on disposal of fixed assets	-	107
	<u> </u>	<u> </u>
Members' remuneration	<u>253,797</u>	<u>311,446</u>

**ON THE EIGHTH DAY
CO-OPERATIVE LIMITED**

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2015**

3. **Taxation**

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2015 £	2014 £
Current tax:		
UK corporation tax	21,481	12,194
Deferred tax	<u>592</u>	<u>2,524</u>
Tax on profit on ordinary activities	<u><u>22,073</u></u>	<u><u>14,718</u></u>

4. **Tangible fixed assets**

	Long leasehold property £	Shop and kitchen equipment £	Fixtures and fittings £	Computer equipment £	Totals £
Cost					
At 1 September 2014	650,000	170,499	88,166	43,988	952,653
Additions	<u>-</u>	<u>-</u>	<u>3,950</u>	<u>3,196</u>	<u>7,146</u>
At 31 August 2015	<u>650,000</u>	<u>170,499</u>	<u>92,116</u>	<u>47,184</u>	<u>959,799</u>
Depreciation					
At 1 September 2014	4,577	164,784	72,312	39,911	281,584
Charge for year	<u>13,733</u>	<u>772</u>	<u>3,491</u>	<u>2,713</u>	<u>20,709</u>
At 31 August 2015	<u>18,310</u>	<u>165,556</u>	<u>75,803</u>	<u>42,624</u>	<u>302,293</u>
Net book value					
At 31 August 2015	<u>631,690</u>	<u>4,943</u>	<u>16,313</u>	<u>4,560</u>	<u>657,506</u>
At 31 August 2014	<u>645,423</u>	<u>5,715</u>	<u>15,854</u>	<u>4,077</u>	<u>671,069</u>

The Society operates from premises under a lease of length 999 years provided by Carlton (North Wales) Ltd. This was granted in April 2003 after the Society transferred its ownership of the freehold property to Carlton (North Wales) Ltd for a consideration of £120,000. The Society has incurred expenditure on subsequent improvements to the property, which have been accounted for in these financial statements in addition to the value of the leasehold interest.

The long leasehold property was revalued on 8 May 2014 by Peter Marsh, MRICS who is external to the Society. The basis of this revaluation was open market. This class of assets has a current value of £631,690 (2014 - £645,422) and a carrying amount at historical cost of £234,816 (2014 - £239,921). The depreciation on historical cost is £76,444 (2014 - £71,339).

**ON THE EIGHTH DAY
CO-OPERATIVE LIMITED**

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2015**

5. **Fixed asset investments**

	Unlisted investments £
Cost	
At 1 September 2014	696
Additions	<u>28</u>
At 31 August 2015	<u>724</u>
Net book value	
At 31 August 2015	<u>724</u>
At 31 August 2014	<u>696</u>

Investments include £400 which represents the cost of shares purchased in a co-operative scheme which allows the Society to make bulk purchases from a national retailer at trade prices.

6. **Debtors: amounts falling due within one year**

	2015 £	2014 £
Trade debtors	120	91
Prepayments and accrued income	<u>10,226</u>	<u>8,480</u>
	<u>10,346</u>	<u>8,571</u>

7. **Creditors: amounts falling due within one year**

	2015 £	2014 £
Bank loans and overdrafts	41,664	42,793
Trade creditors	40,613	48,566
Taxation and social security	52,670	40,481
Other creditors	<u>15,449</u>	<u>23,981</u>
	<u>150,396</u>	<u>155,821</u>

8. **Creditors: amounts falling due after more than one year**

	2015 £	2014 £
Bank loans	<u>-</u>	<u>41,968</u>

9. **Secured debts**

The following secured debts are included within creditors:

	2015 £	2014 £
Bank loans	<u>41,664</u>	<u>84,761</u>

**ON THE EIGHTH DAY
CO-OPERATIVE LIMITED**

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2015**

10. **Provisions for liabilities**

	2015 £	2014 £	
Deferred tax			
Accelerated capital allowances	<u>3,116</u>	<u>2,524</u>	
			Deferred tax
			£
Balance at 1 September 2014		2,524	
Charge to Profit and Loss Account during year		<u>592</u>	
Balance at 31 August 2015		<u>3,116</u>	

11. **Called up share capital**

Allotted, issued and fully paid:			2015	2014
Number:	Class:	Nominal value:	£	£
15	Ordinary	£1	<u>15</u>	<u>14</u>

During the year two new members joined the Society and one member ceased their membership.

12. **Reserves**

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 September 2014	253,153	454,514	707,667
Profit for the year	74,044	-	74,044
Transfer of realised profits	<u>9,670</u>	<u>(9,670)</u>	<u>-</u>
At 31 August 2015	<u>336,867</u>	<u>444,844</u>	<u>781,711</u>

13. **Control**

The Society is controlled by the members who own 100% of the called up share capital.

**ON THE EIGHTH DAY
CO-OPERATIVE LIMITED**

**Trading and Profit and Loss Account
for the Year Ended 31 August 2015**

	2015		2014	
	£	£	£	£
Sales		1,752,666		1,633,312
Cost of sales				
Opening stock	84,161		78,172	
Purchases	<u>1,073,552</u>		<u>991,594</u>	
	1,157,713		1,069,766	
Closing stock	<u>(96,317)</u>		<u>(84,161)</u>	
		<u>1,061,396</u>		<u>985,605</u>
Gross profit		691,270		647,707
(39.44% 2014 : 39.66%)				
Establishment costs				
Rent, rates and water	25,336		24,611	
Insurance	9,889		9,650	
Light and heat	<u>22,918</u>		<u>24,909</u>	
		<u>58,143</u>		<u>59,170</u>
		633,127		588,537
Administrative expenses				
Members' salaries	253,797		311,446	
Members' employers NIC	20,348		25,450	
Wages and salaries	154,118		98,480	
Staff employers NIC	7,970		4,677	
Hire of plant and machinery	1,493		1,260	
Telephone	1,786		1,678	
Post, printing and stationery	1,124		1,490	
Advertising	1,657		773	
Travelling	829		661	
Repairs and renewals	26,628		26,464	
Laundry and cleaning	17,590		14,739	
Sundry expenses	4,128		3,935	
Accountancy	3,675		4,028	
Legal and professional fees	855		1,795	
Depreciation of tangible fixed assets				
Long leasehold	13,732		12,911	
Shop and kitchen equipment	773		773	
Fixtures and fittings	3,491		2,666	
Computer equipment	2,713		2,268	
Profit/loss on sale of tangible fixed assets	<u>-</u>		<u>107</u>	
		<u>516,707</u>		<u>515,601</u>
		116,420		72,936
Finance costs				
Bank charges	1,296		1,412	
Credit card	<u>17,438</u>		<u>14,311</u>	
		18,734		15,723
Carried forward		<u>97,686</u>		<u>57,213</u>

This page does not form part of the statutory financial statements

**ON THE EIGHTH DAY
CO-OPERATIVE LIMITED**

**Trading and Profit and Loss Account
for the Year Ended 31 August 2015**

	2015		2014	
	£	£	£	£
Brought forward		97,686		57,213
Finance income				
Income from unlisted investments	22		36	
Unlisted investments interest receivable	6		7	
Bank interest	<u>95</u>		<u>94</u>	
		<u>123</u>		<u>137</u>
		97,809		57,350
Finance costs				
Bank loan interest		<u>1,692</u>		<u>3,161</u>
Net profit		<u>96,117</u>		<u>54,189</u>

This page does not form part of the statutory financial statements